**GOVERNMENT OF ANDHRA PRADESH**
**ABSTRACT**

Public Services – Registration & Stamps Department – Indian Stamp Act, 1899 – National e-Governance Services Limited (NeSL) – According Permission for Digital Document execution Platform for use of Digital e-Stamping (SHCIL) for non-registrable instruments and e-Sign for execution of digital documents – Orders – Issued.

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**REVENUE (REGN.I) DEPARTMENT**

**G.O.Ms.No.326** **Dated:17.05.2022**

**Read the following:-**

1. The Department of Revenue (DOR) Ministry of Finance Letter No. S/33013/04/2019/SE.1 DOR, Dt. 30.06.2020.
2. Letter of NeSL Dt. 21.08.2020, 27.09.2021, 03.01.2022, 22.01.2022 and 02.02.2022.
3. Proposal of C&IG (R&S) Department Vijayawada, Lr.No. GSO1/P/6873/P1/2021, Dt. 04.01.2022.

**O R D E R:**

Government of India, Ministry of Finance, vide reference 1st read above, informed that National e-Governance service Limited (NeSL) Information Utility (IU) is mandated to serve as a repository of legal evidence for financial credit contracts. RBI has directed its regulated entities to file information in the IU and to use the information in IU for the purpose of credit monitoring. NeSL has set up a secured digital document execution (DDE) platform that operates on a remote basis which would assist the banking sector by daily pushing out several thousand loan documents to MSMEs or individuals, without any physical signatures or paperwork between banks and their customers. Such a digital workflow is based on integration using APIs between NeSL and other Government agencies for-

1) E-Sign for execution of documents
2) Digital e-Stamping through stock holding corporation (SHCIL) or GRAS of the state.

Further, Government of India requested to issue necessary instructions for commencement on SHCIL/NeSL platform to permit Digital e-Stamping as a valid mode of payment of stamp duty.

**2.** Through the reference 2nd read above, National e-Governance services Ltd (NeSL) has informed that they have set up a secured Digital Document Execution platform (DDE) which would assist the financial creditors to execute loan documents in a completely remote manner without necessity of any physical signatures or paper work and which have been completed in 21 State Governments and UT in the country and further requested to accord permission to implement the same in the state of A.P. and to issue of Digital e-Stamps for executing contracts between financial creditors (Banks, NBPCs etc) or operational creditors on the one hand and debtors on the other hand.

**3.** Through the reference 3rd read above, the Commissioner and Inspector General, Registration & Stamps has submitted a proposal stating that National e-Governance Services Limited (NeSL), a union Government company regulated by the insolvency and bankruptcy Board of India (IBBI), has created an IT platform referred to as Digital Document Execution (DDE) which enables any time anywhere execution of loan agreements.

**4.** The Commissioner and Inspector General, Registration & Stamps further stated that Digital Document Execution (DDE) service launched by NeSL is an advanced fully automated contract execution platform and it got two important features viz., i) e-Sign for execution of documents; and ii) Digital e-Stamping through SHCIL. This service provides for remote online payment of Stamp Duty by lenders and corresponding issuance of unique Stamp Certificate which is affixed digitally on bank document. This service enables paperless e-stamp and e-sign loan journey which lead to immediate disbursement to citizens through NeSLs platform

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on transactions initiated by Banks/Lenders. It obviates the need for physical presence of the customer and complete the contract instantaneously. It operates 24/7 on remote basis.

**5.** The Commissioner and Inspector General, Registration & Stamps further stated that State is benefited because of 100% compliance of duty payment by the parties. It eliminates physical stamps/franking/conventional e-stamping and reduces administrative cost in respect of certain optional registrable documents as authorized by the State Government.

**6.** Further, Commissioner and Inspector General, Registration & Stamps requested that the service of Digital e-Stamping for the purpose of DDE of NeSL can be extended to the under mentioned list of instruments (optional registrable documents) by the SHCIL.

a. Agreement or Memorandum of Agreement relating to secure the repayment of loan by Bank/Finance company.
b. Agreement or any document (memorandum etc.) relating to the deposit of title deeds, pawn or pledge relating to the movable property.
c. Bond/Composition Deed/Debenture
d. Further charge relating to movable property
e. Indemnity Bond
f. Bank Guarantee/Letter of Credit
g. Letter of License
h. Hypothecation deed relating to movable property
i. Power of Attorney relating to movable property
j. Respondentian Bond
k. Security Bond

**7.** The Commissioner and Inspector General, Registration & Stamps Dept., has also opined that in view of the amended provisions of Section 2(26) and 2(12) of Indian Stamp Act encompassing digital e-Stamping (vide Finance (No.2) Act, 2004 (Act 23 of 2004)) and digital execution (vide Finance Act, 2019 (Act 7 of 2019), no additional amendments to the Indian Stamp Act may immediately be necessary to implement the proposed DDE system by NeSL. Hence, requested the Government to accord permission for implementation of the proposed system by NeSL in the state.

**8.** Government after careful examination with a view to boost ease of doing business agreed to the proposal of NeSL and permitted NeSL to:

(a) E-Sign for execution of digital documents listed at para 7 above and
(b) Digital e-Stamping through stockholding corporation (SHCIL).

**9.** The Commissioner and Inspector General, Registration & Stamps, A.P., Vijayawada shall take further action in the matter accordingly.

**(BY ORDER AND IN THE NAME OF THE GOVERNOR OF THE ANDHRA PRADESH)**

**Dr.RAJAT BHARGAVA**
**SPECIAL CHIEF SECRETARY TO GOVERNMENT**

**To**
The Commissioner and Inspector General, Registration & Stamps,
A.P., Vijayawada.
The Managing Director & CEO, NeSL, Gresham Assurance House, 4th Floor, Sir P M Road Fort, Mumbai - 400 001.
Copy to:
The OSD to Hon'ble Minister for Revenue, Registrations & Stamps.
The PS to Spl. Chief Secretary to Government (Excise, R&S)
SF/SC.

**// FORWARDED :: BY ORDER//**

**SECTION OFFICER**